

By: Gooden

H.B. No. 1208

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of the Kaufman County Fresh Water Supply District No. 1-D; providing authority to issue bonds, impose a tax, and levy assessments for roadway purposes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle B, Title 6, Special District Local Laws Code, is amended by adding Chapter 6917 to read as follows:

CHAPTER 6917. KAUFMAN COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-D

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 6917.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Kaufman County Fresh Water Supply District No. 1-D.

Sec. 6917.002. NATURE OF DISTRICT. The district is a fresh water supply district created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 6917.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and

1 other powers granted under this chapter.

2 (c) The creation of the district is in the public interest
3 and is essential to further the public purposes of:

4 (1) developing and diversifying the economy of the
5 state;

6 (2) eliminating unemployment and underemployment; and

7 (3) developing or expanding transportation and
8 commerce.

9 (d) The district will:

10 (1) promote the health, safety, and general welfare of
11 residents, employers, potential employees, employees, visitors,
12 and consumers in the district, and of the public;

13 (2) provide needed funding for the district to
14 preserve, maintain, and enhance the economic health and vitality of
15 the district territory as a community and business center; and

16 (3) promote the health, safety, welfare, and enjoyment
17 of the public by providing pedestrian ways and by landscaping and
18 developing certain areas in the district, which are necessary for
19 the restoration, preservation, and enhancement of scenic beauty.

20 (e) Pedestrian ways along or across a street, whether at
21 grade or above or below the surface, and street lighting, street
22 landscaping, vehicle parking, and street art objects are parts of
23 and necessary components of a street and are considered to be an
24 improvement project that includes a street or road improvement.

25 Sec. 6917.004. APPLICABILITY OF OTHER LAW. Except as
26 otherwise provided by this chapter, the following laws apply to the
27 district:

- 1 (1) Chapters 49, 51, and 53, Water Code;
2 (2) Chapters 372 and 375, Local Government Code; and
3 (3) Chapter 257, Transportation Code, and other
4 general laws applicable to road districts created under Section 52,
5 Article III, Texas Constitution, to the extent those provisions can
6 apply to the district.

7 Sec. 6917.005. PROHIBITION AGAINST IMPAIRMENT OF DISTRICT.

8 A county in which the district is located or a municipality in whose
9 extraterritorial jurisdiction the district is located may not take
10 any action, including adopting an order, ordinance, or resolution,
11 that:

- 12 (1) impairs the district's ability to exercise the
13 district's powers under this chapter; or
14 (2) limits the district's ability to finance,
15 construct, or operate the district's water, wastewater, drainage,
16 or road systems.

17 SUBCHAPTER B. POWERS AND DUTIES

18 Sec. 6917.051. AUTHORITY FOR ROAD PROJECTS. Under Section

19 52, Article III, Texas Constitution, the district may design,
20 acquire, construct, finance, issue bonds for, improve, operate,
21 maintain, and convey to this state, a county, or a municipality for
22 operation and maintenance macadamized, graveled, concreted, or
23 paved roads, or improvements in aid of or incidental to those roads,
24 including:

- 25 (1) bridges;
26 (2) drainage;
27 (3) landscaping;

- (4) lights, signs, and signals;
- (5) public safety facilities;
- (6) retaining walls; and
- (7) pedestrian ways, sidewalks, and trails.

Sec. 6917.052. JOINT ROAD PROJECTS. (a) A district may contract with a state agency, political subdivision, or corporation created under Chapter 431, Transportation Code, for a joint road project.

(b) The contract may:

- (1) provide for joint payment of project costs; and
- (2) require the state agency, political subdivision, or corporation to design, construct, or improve a project, including landscaping, as provided by the contract.

Sec. 6917.053. EXEMPTION FROM CERTAIN SUPERVISION AND APPROVAL REQUIREMENTS. (a) The district may reimburse expenditures as provided by Sections 257.003(a) and (b), Transportation Code, without the approval required by Section 257.003(c), Transportation Code.

(b) The district may reimburse expenditures for a project constructed or acquired under Section 6917.051 or 6917.052 without the approval required by Section 49.107(f), Water Code.

(c) Sections 49.181 and 49.182, Water Code, and Section 375.208, Local Government Code, do not apply to:

(1) a project authorized by Section 6917.051 or 6917.052;

(2) bonds issued for a project described by Subdivision (1);

1 (3) bonds issued by the district secured by assessment
2 revenue; or

3 (4) bonds issued under Chapters 372 and 375, Local
4 Government Code.

5 Sec. 6917.054. ROAD CONTRACTS. The district may enter into
6 a contract for a road project in the same manner as a road district
7 under Chapter 257, Transportation Code, except that competitive
8 bidding for a road project contract is governed by Subchapter I,
9 Chapter 49, Water Code.

10 Sec. 6917.055. DIVISION OF DISTRICT. (a) The district may
11 be divided into two or more new districts by election only if the
12 district:

13 (1) has no outstanding bonded debt; and

14 (2) is not imposing ad valorem taxes.

15 (b) The division procedure is prescribed by Sections 53.030
16 through 53.041, Water Code.

17 (c) A new district created by the division of the district
18 has all the powers and duties of the district.

19 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

20 Sec. 6917.101. ASSESSMENTS. (a) The district may impose an
21 assessment on property in the district to pay for an improvement
22 project authorized by Section 6917.051 or 6917.052 or an obligation
23 described by Section 6917.151 in the manner provided for:

24 (1) a district under Subchapters A, E, and F, Chapter
25 375, Local Government Code; or

26 (2) a municipality or county under Subchapter A,
27 Chapter 372, Local Government Code.

1 (b) The district may impose an assessment for any district
2 operation and maintenance or authorized improvement or
3 supplemental service, including public safety services, in the
4 manner provided for:

5 (1) a district under Subchapters A, E, and F, Chapter
6 375, Local Government Code; or

7 (2) a municipality or county under Subchapter A,
8 Chapter 372, Local Government Code.

9 (c) The district may not impose an assessment on a
10 municipality, county, or other political subdivision.

11 Sec. 6917.102. RESIDENTIAL PROPERTY NOT EXEMPT. Section
12 375.161, Local Government Code, does not apply to the district.

13 SUBCHAPTER D. BONDS

14 Sec. 6917.151. AUTHORITY TO ISSUE BONDS AND OTHER
15 OBLIGATIONS. (a) Subject to Subsections (c) and (d), the district
16 may issue bonds or other obligations to finance the construction,
17 maintenance, or operation of road projects authorized by Section
18 6917.051 or 6917.052.

19 (b) The district may issue by competitive bidding or
20 negotiated sale bonds or other obligations payable wholly or partly
21 from ad valorem taxes, assessments, impact fees, revenue, contract
22 revenue, grants, or other district money, or any combination of
23 those sources, to pay for a road project.

24 (c) The district may not issue bonds or other obligations
25 payable wholly or partly from ad valorem taxes to finance a road
26 project unless the issuance is approved by a vote of a two-thirds
27 majority of the district voters voting at an election held for that

1 purpose.

2 (d) At the time of issuance, the total principal amount of
3 bonds or other obligations issued or incurred to finance road
4 projects and payable from ad valorem taxes may not exceed
5 one-fourth of the assessed value of the real property in the
6 district.

7 SECTION 2. (a) The following are validated and confirmed in
8 all respects:

9 (1) the creation of the Kaufman County Fresh Water
10 Supply District No. 1-D; and

11 (2) any act or proceeding of the district, including
12 an election, not excepted by this section and taken not more than
13 three years before the effective date of this Act, effective as of
14 the date on which the act or proceeding occurred.

15 (b) This section does not apply to:

16 (1) an act, proceeding, director, other official,
17 bond, or other obligation the validity of which or of whom is the
18 subject of litigation that is pending on the effective date of this
19 Act; or

20 (2) an act or proceeding that, under a statute of this
21 state or the United States, was a misdemeanor or felony at the time
22 the act or proceeding occurred.

23 SECTION 3. (a) The legal notice of the intention to
24 introduce this Act, setting forth the general substance of this
25 Act, has been published as provided by law, and the notice and a
26 copy of this Act have been furnished to all persons, agencies,
27 officials, or entities to which they are required to be furnished

1 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
2 Government Code.

3 (b) The governor, one of the required recipients, has
4 submitted the notice and Act to the Texas Commission on
5 Environmental Quality.

6 (c) The Texas Commission on Environmental Quality has filed
7 its recommendations relating to this Act with the governor, the
8 lieutenant governor, and the speaker of the house of
9 representatives within the required time.

10 (d) All requirements of the constitution and laws of this
11 state and the rules and procedures of the legislature with respect
12 to the notice, introduction, and passage of this Act are fulfilled
13 and accomplished.

14 SECTION 4. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect September 1, 2017.